CRUSH INTERNATIONAL LIMITED

52ND ANNUAL REPORT 1975

OUR PLEDGE

CRUSH INTERNATIONAL LIMITED takes pride in the excellence of its products. To create and produce beverages of unsurpassed freshness, purity and quality is our highest aspiration . . . our constant aim. Thus it is with confidence that we publish this symbol as an honest and unconditional guarantee. We pledge our untiring diligence in maintaining our exacting standards of production . . . in supplying beverages of delicious fresh flavour and wholesome healthful goodness.

52ND ANNUAL REPORT
FISCAL YEAR ENDED OCTOBER 29, 1975

During the summer of 1976 Canada will host athletes from around the globe at the 1976 Olympic Games.

Our cover picture, an olympic runner reaching for excellence in his field, aptly portrays the Crush philosophy — "a never-ending dedication to supply soft drinks of outstanding quality". A philosophy which has resulted in the success of CRUSH products in sixty-five countries of the world.

Financial Highlights

	Fiscal Year Ended October 29, 1975	Fiscal Year Ended October 30, 1974
Gross operating revenue	$62,515,208	$54,536,106
Net earnings before extraordinary items and income taxes	9,498,925	6,392,658
Provision for income taxes	4,270,000	2,748,000
Net earnings from operations before extraordinary items	5,228,925	3,644,658
Extraordinary items	142,000	273,305
Net earnings for the year	$ 5,370,925	$ 3,917,963
Earnings per share from operations before extraordinary items	$ 1.23	$ .86
Earnings per share including extraordinary items	1.27	.92
Depreciation	724,633	646,947
Number of shares outstanding	4,239,918	4,237,498

Contents

Annual Meeting

The Annual Meeting of our Shareholders will be held at the Royal York Hotel, 100 Front Street West, Toronto, at 11:30 a.m. on Tuesday, February 24, 1976.

Officers

Chairman of the Board
JOHN M. THOMPSON

President and Chief Executive Officer
LOUIS COLLINS

Executive Vice-President
DONALD G. OTTAWAY

Vice-President Finance and Secretary
RONALD P. J. DEES

Assistant Secretary
PATRICK J. LePIANE

Subsidiary Companies

Crush Beverages Limited

L. COLLINS	Chairman of the Board and President
D. G. OTTAWAY	Executive Vice-President
H. A. SIMPSON	Vice-President and General Manager
R. P. J. DEES	Vice-President Finance and Secretary
W. N. GILCHRIST	Vice-President
D. J. SMITH	Vice-President
E. M. NICHOLSON	Vice-President — Technical Services
P. DAOUST	Vice-President
P. J. LePIANE	Assistant Secretary

Crush International (USA) Inc. and Crush International Inc.

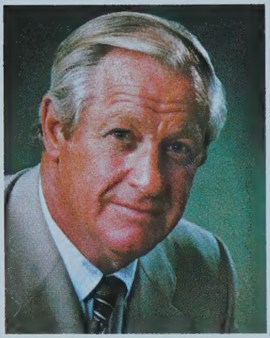
L. COLLINS	President
D. G. OTTAWAY	Executive Vice-President
F. S. O'DONNELL	Vice-President and General Manager — Domestic Operations
J. R. McGOWAN	Vice-President and General Manager — International Operations
R. P. J. DEES	Vice-President Finance
R. A. POINDEXTER	Vice-President — Production
J. R. LEITZ	Vice-President — Technical Services
W. L. LAUTEN	Secretary

Pure Spring (Canada) Limited

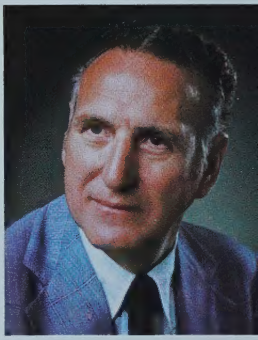
J. M. THOMPSON	Chairman of the Board
N. MIRSKY	President
M. MIRSKY	Vice-President
R. P. J. DEES	Vice-President and Secretary

Charles Wilson Limited

J. M. THOMPSON	Chairman of the Board
L. COLLINS	President
D. G. OTTAWAY	Executive Vice-President
R. G. DUNN	Vice-President and General Manager
R. P. J. DEES	Vice-President Finance and Secretary
P. J. LePIANE	Assistant Secretary



John M. Thompson

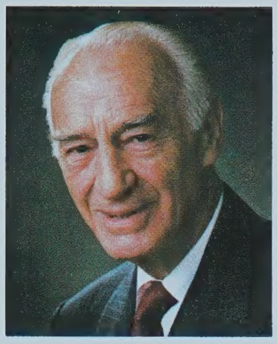


Louis Collins

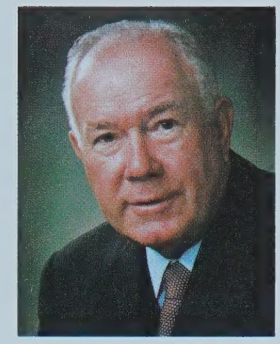
Donald G. Ottaway

Ronald P. J. Dees

Douglas W. Best

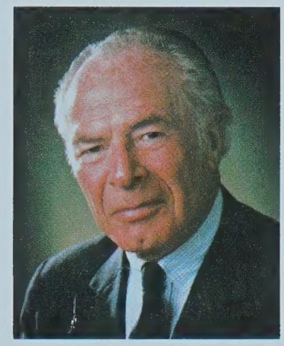


Ralph B. Brenan

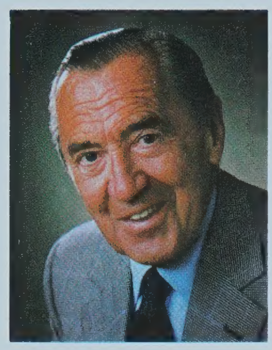


Nelson M. Davis

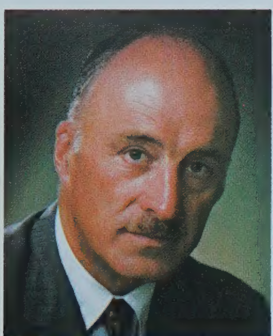
William J. H. Disher



Ian R. Dowie



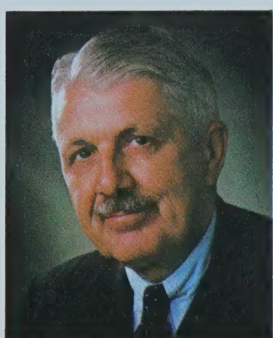
•Hon. Louis P. Gélinas, M.B.E.



Hugh H. Mackay

John A. McCleery, F.C.A.

Peter M. McEntyre



Donald A. McIntosh, Q.C.

Directors

D. W. BEST — *Toronto, Ont.*
President,
T. H. Best Printing Company Limited,
Toronto, Ont.

R. B. BRENAN — *Rothesay, N.B.*
Chairman and Director,
G. E. Barbour Company Limited,
Saint John, N.B.

*†L. COLLINS — *Park Ridge, Illinois*
President & Chief Executive Officer,
Crush International Limited,
Toronto, Ont.

*N. M. DAVIS — *Toronto, Ont.*
Chairman,
N. M. Davis Corporation Limited,
Toronto, Ont.

†W. J. H. DISHER — *Toronto, Ont.*
Chairman,
Frankel Structural Steel Ltd.,
Toronto, Ont.

I. R. DOWIE — *Oakville, Ont.*
Retired Executive,
Oakville, Ont.

•HON. L. P. GÉLINAS, M.B.E. — *Montreal, Que.*
Consultant,
Geoffrion, Robert & Gélinas Ltd.,
Montreal, Que.

H. H. MACKAY — *Rothesay, N.B.*
Director,
Pitfield, Mackay, Ross & Company Limited,
Saint John, N.B.

†J. A. McCLEERY, F.C.A. — *Toronto, Ont.*
President,
J. A. McCleery Limited,
Toronto, Ont.

*P. M. McENTYRE — *Westmount, Que.*
President,
Commercial Trust Company Limited,
Montreal, Que.

*D. A. McINTOSH, Q.C. — *Toronto, Ont.*
Partner,
Fraser & Beatty,
Toronto, Ont.

D. G. OTTAWAY — *Toronto, Ont.*
Executive Vice-President,
Crush International Limited,
Toronto, Ont.

**J. M. THOMPSON — *Toronto, Ont.*
Chairman of the Board,
Crush International Limited,
Toronto, Ont.

**Chairman of the Executive Committee
*Members of the Executive Committee
†Members of the Audit Committee
•Deceased January 1, 1976

Report to Shareholders of CRUSH INTERNATIONAL LIMITED

In 1975, dollar sales and earnings reached all-time highs with every Division contributing to these outstanding results.

Gross operating revenue of $62,515,208 was 15% higher than a year ago and after-tax earnings increased 43% to $5,228,925. Earnings per share were $1.23 compared to $.86 a year ago.

Dollar sales volume rose substantially during the year but unit sales did not increase at the same rate as in previous years.

World sugar prices, although still volatile, dropped to more normal levels during the year. However, some bottlers are still using sugar contracted at higher prices and they have not as yet felt the full benefit of lower sugar costs. Undoubtedly, an intensive sales effort will be required in 1976 if our Industry is to regain the growth pattern of previous years.

Environmental problems relating to convenience packaging are still unsettled, and while major concessions in packaging and distribution practices have been made by the Industry, we are continuing our efforts to resolve these problems.

FINANCIAL

Extraordinary income of $142,000 or 3.4¢ per share, resulting from a tax reduction from pre-acquisition losses of Charles Wilson Limited, increased net earnings to $5,370,925 equal to $1.27 per share.

Working capital increased by 29% to $12,328,691.

Long-term debt was reduced by U.S. $390,000 leaving a balance of U.S. $770,000 at the year end, which was further reduced by U.S. $390,000 in January 1976.

Capital expenditures for the year amounted to $1,667,000, largely for the new canning plant and equipment installed in the Toronto facilities.

Shareholders' equity increased to $6.08 per share from $5.16 per share last year. During the year, the quarterly dividend rate was increased from 8¢ per share to 9¢ per share effective with the dividend paid on July 15, 1975.

The Company remains in a strong financial position with cash reserves exceeding $11,000,000.

CANADIAN OPERATIONS

In 1975, selling prices of soft drinks rose sharply. This was brought about by dramatic increases in virtually all items of cost. These relatively high selling prices, coupled with a generally depressed economy, resulted in a decrease in unit sales in the early months of the year. It is probable that the trend would have continued throughout the balance of the year had it not been for record hot weather in May, June and July. As the price of sugar gradually decreased the resulting cost advantage was offset to a significant degree by major increases in wages and the cost of packaging materials. Nevertheless, selling prices were effectively reduced by discounts and similar programmes which were passed on to the consumer.

Unit sales in your Company held up well during the hot summer weather but declined in September when we experienced premature cool and wet weather conditions. Faced with both consumer resistance to high selling prices and a decline in unit sales, we endeavoured to stimulate consumer interest in the products of your Company by attractive price promotions.

The production and distribution of CRUSH and HIRES in Toronto has been taken over by your Company. These operations commenced in our Wilson Plant in November 1975, and while the initial investment required for this move will be substantial, we look forward to establishing our products in a more dominant position in this important market.

A substantial number of additional vehicles will be required for the truck fleets of the Wilson and Pure Spring Divisions, but apart from this no major capital expenditures on fixed assets are contemplated during the current year.

We recently renewed our labour contracts until 1977 for the KIK Division in Montreal and the Wilson Division in Toronto.

Purchases of new glass and shells in 1976 will exceed the quantities purchased in previous years in order to comply with the policy of various governments of requiring the returnable bottle to be available and because of the change to metric measurement. It is hoped that deposits can be increased sufficiently to offset a greater proportion of the replacement cost of these items and to encourage the return of bottles.

UNITED STATES OPERATIONS

Unit sales in the United States showed increased growth during the year. Sales of Orange CRUSH particularly showed a substantial increase. Regional marketing plans, specializing in advertising and price promotions, proved successful. During the year, 15

new franchises for HIRES, CRUSH and SUN-DROP commenced, while a number of smaller franchised plants either closed or were consolidated into larger operations.

Introduction of HIRES and CRUSH into Hawaii met with excellent acceptance.

In August 1971, the United States Federal Trade Commission charged your Company, and six other companies, with a violation of the Anti-Trust Laws by restricting franchised bottlers from selling outside their designated territories. In a hearing by an FTC judge in October 1975 against one of the other major companies, the legality of designating territories for bottlers was upheld. This ruling may be appealed and, if so, the resultant court case and hearings may continue for several years.

In 1976, the Industry will face many challenges, and it is not possible to forecast our 1976 results with any degree of accuracy. Looking ahead, however, we are in an excellent position to take advantage of whatever opportunities present themselves and we look forward with optimism to the coming year.

INTERNATIONAL OPERATIONS

1975 was a good year for the International Operations. While difficulties were encountered in certain countries due to political upheaval and internal conflict, the overall results were satisfactory.

The situation in Chile is gradually improving, and we look for better results in 1976. Lebanon and Angola are currently problem situations. Shipments to Lebanon have slowed and it is unlikely that we will be able to ship merchandise to Angola for some time.

On the more favourable side, sales have increased in most of our markets. Syria, a new market last year, is showing excellent growth. In Africa your Company is opening up new markets and expanding existing ones.

Development of the European market is proceeding well with sales in France, especially GINI, reflecting an improvement which runs contrary to the Industry trend.

While it is impossible to forecast results for the coming year with any accuracy, prospects in the International Operations are bright, and the overall results should be good.

GENERAL

While 1975 was the best year your Company has ever had, it was certainly a year of many problems. It started off poorly with a decrease in unit sales, but hot weather and rigid financial and management controls helped to maintain profit margins. Had normal selling prices prevailed throughout the year, our unit sales undoubtedly would have shown greater increases than they did.

It is difficult to look ahead to 1976, particularly in Canada. With wage and price controls in effect, the economy is not showing much improvement. The same thing is generally true in the United States where the economy is sluggish, and there is little evidence that the rate of inflation has been brought under control. While our markets in North America show some optimistic signs, we foresee an even greater potential in the International areas.

Our search for suitable acquisitions continues, and we intend to pursue this programme diligently in 1976.

We are in a strong position to take advantage of opportunities to progress in a sound and successful manner. The fine co-operation of our bottlers in supporting our marketing objectives contributed greatly towards the attainment of our goals.

The success of your Company in 1975 reflects the cooperative efforts of many people. We appreciate the continued support of our customers, suppliers and shareholders and the dedicated efforts of our many loyal employees.

It is with deep regret that we report that the Honourable Louis P. Gélinas passed away on January 1, 1976. His wise counsel and active interest in the Company's affairs will be greatly missed.

Jm Thompson

JOHN M. THOMPSON
Chairman of the Board

L Collins

LOUIS COLLINS
President

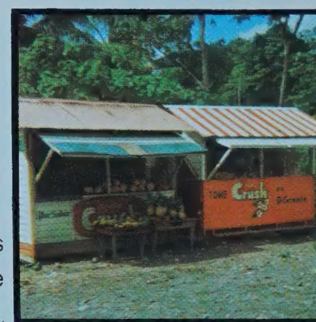
January 16, 1976

Crush*

*MARQUE DÉPOSÉE *T.M. REG'D.

A favourite in more than 60 countries around the world.

A school day in Puerto Rico dedicated to sports events with Orange CRUSH as their refreshment.

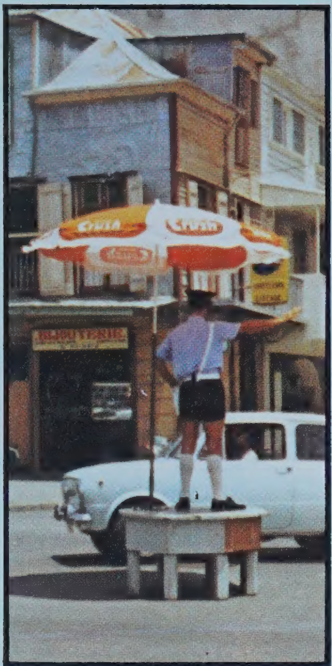


Guatemala roadside fruit stands featuring new and old Orange CRUSH logos.

Today Orange CRUSH with "The taste that's all its own" is available in sixty countries around the world.

CRUSH products' first venture into International markets was to grant franchise rights to a company in London, England in the early 1920's for the Eastern Hemisphere. The English company introduced CRUSH to limited areas of England, Australia and New Zealand.

During the 1930's and the 1940's, successful expansion of the CRUSH franchise had been made



Out of the sun in the middle of traffic in Guadeloupe, French West Indies.

Colossal Orange CRUSH wall sign in Casablanca, Morocco.

CRUSH bottler's promotion under full sail along northeast coast of Fortaleza, Brazil.

Indoor soccer is a big thing in Ecuador with the Orange CRUSH and OLD COLONY teams being two of the two hundred participating teams.

into many South and Central American countries including Argentina, Puerto Rico and Mexico.

In 1960, when Crush International assumed the responsibility for franchising its own products in all world markets, CRUSH products were then available in twenty-six countries and the Company opened its first European office in Brussels, Belgium.

CRUSH products were then introduced in Beirut, Lebanon, "The Gateway to the Middle East", which led to the rapid growth of the CRUSH franchise in many countries of the Middle East, South Africa and Europe. CRUSH products were available in thirty countries by 1962 and available in fifty countries around the world by 1969. An outstanding example of the success of our products in Europe was the introduction of GINI, a bitter lemon product, in France in 1971. This product now represents a major product line in France and has enjoyed excellent market acceptance. The GINI story is similar in Belgium, where this product is rapidly gaining popular acceptance. We sincerely believe and expect that this story will be repeated elsewhere in Europe in the near future.

In Spain your Company has recently acquired the plant and equipment of its former licensee. We fully expect that we will be able to develop and expand our sales in Spain and related markets in this general area at an accelerated rate.

The gratifying results of the International Operations encourage your Company to seek greater expansion in foreign markets. The opportunities and prospects are most encouraging for further development.

FIVE YEAR REVIEW

Operating Results

	1975	1974	1973	1972	1971
Gross operating revenue	**$62,515,208**	$54,536,106	$44,781,457	$37,044,601	$35,908,877
Earnings from operations before taxes	**9,498,925**	6,392,658	5,914,501	4,700,452	5,124,295
Provision for income taxes	**4,270,000**	2,748,000	2,681,000	2,066,000	2,319,000
Net earnings from operations	**5,228,925**	3,644,658	3,233,501	2,634,452	2,805,295
Dividends paid	**1,441,003**	1,355,971	1,354,554	1,179,221	1,086,832
Depreciation expense	**724,633**	646,947	561,699	442,894	464,154

Financial Position

	1975	1974	1973	1972	1971
Current assets	**22,232,872**	19,870,442	17,127,157	13,350,590	12,934,157
Current liabilities	**9,904,181**	10,346,600	8,997,377	4,330,117	4,662,731
Working capital	**12,328,691**	9,523,842	8,129,780	9,020,473	8,271,426
Fixed assets, net	**9,092,758**	8,255,549	7,422,142	4,921,706	5,057,317
Total assets	**36,754,917**	33,555,278	29,978,586	23,474,507	22,899,935
Long-term debt	**783,712**	1,180,659	1,577,606	1,974,553	2,975,813
Shareholders' equity	**25,789,442**	21,847,420	19,284,432	17,169,837	15,261,391

Per Common Share

	1975	1974	1973	1972	1971
Net earnings per share from operations	**1.23**	.86	.76	.63	.67
Dividends per share	**.34**	.32	.32	.28	.26
Book value per share	**6.08**	5.16	4.55	4.06	3.65
Number of shares outstanding	**4,239,918**	4,237,498	4,237,378	4,229,928	4,186,428

Consolidated Statement of Earnings

For the Year Ended October 29, 1975

	1975	1974
GROSS OPERATING REVENUE	$62,515,208	$54,536,106
EARNINGS BEFORE THE UNDERNOTED ITEMS	$10,800,762	$ 7,530,389
OTHER CHARGES (INCOME)		
Depreciation	724,633	646,947
Returnable container expense	1,051,736	983,907
Interest on long-term debt	75,866	140,275
Income from short-term investments	(550,398)	(633,398)
	1,301,837	1,137,731
	9,498,925	6,392,658
INCOME TAXES		
Current	4,057,000	2,594,000
Deferred	213,000	154,000
	4,270,000	2,748,000
NET EARNINGS FROM OPERATIONS BEFORE EXTRAORDINARY ITEMS	5,228,925	3,644,658
EXTRAORDINARY ITEMS		
Reduction in income taxes on application of pre-acquisition losses of a subsidiary [note 1(g)]	142,000	239,000
Gain on sale of surplus property, less income taxes applicable thereto	—	34,305
	142,000	273,305
NET EARNINGS FOR THE YEAR	$ 5,370,925	$ 3,917,963
EARNINGS PER SHARE		
Net earnings from operations before extraordinary items	$ 1.23	$ .86
Net earnings for the year	1.27	.92

Consolidated Statement of Retained Earnings

For the Year Ended October 29, 1975

	1975	1974
RETAINED EARNINGS — BEGINNING OF YEAR	$17,146,350	$14,584,358
Net earnings for the year	5,370,925	3,917,963
	22,517,275	18,502,321
Dividends paid	1,441,003	1,355,971
RETAINED EARNINGS — END OF YEAR	$21,076,272	$17,146,350

Assets

	1975	1974
CURRENT ASSETS		
Cash and short-term investments	$11,186,754	$ 7,457,198
Accounts receivable	5,671,142	5,511,278
Inventories — at lower of cost and net realizable value	4,918,642	6,584,536
Prepaid expenses	456,334	317,430
	22,232,872	19,870,442
OTHER ASSETS		
Investment in shares of foreign subsidiaries not consolidated — at cost [note 1 (a)]	27,105	27,105
FIXED ASSETS		
Land and buildings — at cost	6,931,494	6,541,584
Machinery and equipment — at cost	7,815,475	7,147,724
	14,746,969	13,689,308
Accumulated depreciation	5,654,211	5,433,759
	9,092,758	8,255,549
TRADEMARKS, FORMULAE AND GOODWILL — at cost less amounts written off	5,402,182	5,402,182
	$36,754,917	$33,555,278

Signed on behalf of the Board,

Director

Director

Liabilities

	1975	1974
CURRENT LIABILITIES		
Bank loans	$ —	$ 1,442,116
Accounts payable and accrued liabilities	7,519,421	7,478,049
Income and sundry taxes payable	2,384,760	1,426,435
	9,904,181	10,346,600
LONG-TERM DEBT [note 2]	783,712	1,180,659
DEFERRED INCOME TAXES	277,582	180,599
	10,965,475	11,707,858

Shareholders' Equity

	1975	1974
SHARE CAPITAL [note 3]		
Authorized —		
90,000 preference shares of a par value of $100 each, issuable in series		
9,000,000 common shares without par value		
Issued and fully paid —		
4,239,918 common shares [1974 — 4,237,498]	4,713,170	4,701,070
RETAINED EARNINGS	21,076,272	17,146,350
	25,789,442	21,847,420
	$36,754,917	$33,555,278

Auditors' Report to the Shareholders

We have examined the consolidated balance sheet of Crush International Limited and subsidiaries as at October 29, 1975 and the consolidated statements of earnings, retained earnings and changes in financial position for the year then ended. Our examination included a general review of the accounting procedures and such tests of accounting records and other supporting evidence as we considered necessary in the circumstances.

In our opinion these consolidated financial statements present fairly the financial position of the companies as at October 29, 1975 and the results of their operations and the changes in their financial position for the year then ended, in accordance with generally accepted accounting principles applied on a basis consistent with that of the preceding year.

Toronto, December 9, 1975

COOPERS & LYBRAND
Chartered Accountants

Consolidated Statement of Changes in Financial Position

For the Year Ended October 29, 1975

	1975	1974
SOURCE OF WORKING CAPITAL		
Net earnings for the year	$ 5,370,925	$ 3,917,963
Add items not affecting working capital:		
Depreciation	724,633	646,947
Deferred income taxes	96,983	61,428
Provided from operations	6,192,541	4,626,338
Issue of share capital	12,100	996
	6,204,641	4,627,334
USE OF WORKING CAPITAL		
Dividends paid	1,441,003	1,355,971
Long-term debt reduction	396,947	396,947
Additions to fixed assets (net)	1,561,842	1,480,354
	3,399,792	3,233,272
INCREASE IN WORKING CAPITAL	2,804,849	1,394,062
WORKING CAPITAL — BEGINNING OF YEAR	9,523,842	8,129,780
WORKING CAPITAL — END OF YEAR	$12,328,691	$ 9,523,842

Explanatory Notes to Consolidated Financial Statements

For the Year Ended October 29, 1975

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The Corporation follows the generally accepted accounting principles described below which have been used in the preparation of financial statements and other data presented in this report.

(a) Principles of Consolidation

The financial statements include the accounts of all subsidiaries, except certain wholly owned foreign subsidiaries whose accounts are not consolidated due to the existence of foreign exchange restrictions. All significant inter-company transactions have been eliminated on consolidation.

The earnings of unconsolidated wholly owned foreign subsidiaries for the year were $213,283 and their undistributed earnings since acquisition not taken into the accounts of the Corporation were $1,208,074 at October 29, 1975. Such earnings have been stated at the exchange rate prevailing at the balance sheet date. During 1975 a dividend of $109,253 was paid by an unconsolidated wholly owned foreign subsidiary and is included in 1975 earnings.

(b) Foreign Currency Translation

United States dollars have been stated in Canadian dollars as follows:

(i) Earnings, current assets, and current liabilities at par.

(ii) Other assets and other liabilities substantially at the rate prevailing when they were acquired or incurred.

The net result of all foreign exchange translations and adjustments is deferred in the accounts as long as the accumulated balance is a net gain.

(c) Inventories

Inventories are valued at the lower of cost and net realizable value excepting returnable containers which are carried in inventories at cost until put into use, and thereafter at the deposit value.

(d) Fixed Assets

Land, buildings and equipment are stated at cost. Depreciation is provided by the straight-line method using generally rates of 1¼% for buildings and 10% to 12½% for equipment. Maintenance and repairs are charged to expense as incurred. Retirements and other disposals are removed from the accounts at their carrying values; any gains or losses resulting from disposals are reflected in earnings.

(e) Intangible Assets

Trademarks, formulae and goodwill are carried at cost less amounts written off prior to 1963. There is no annual amortization because, in the opinion of management, there is no current diminution in value.

(f) Pension Plans

The Corporation and its subsidiaries have insured pension plans providing benefits to a majority of its employees. It is the Corporation's policy to record the costs of pension benefits as they accrue.

Explanatory Notes to Consolidated Financial Statements
For the Year Ended October 29, 1975

(g) Income Taxes

The Corporation follows the tax allocation basis for all timing differences between accounting and taxable income.

A subsidiary has an amount of depreciation for income tax purposes in excess of depreciation recorded in the accounts which is available to reduce income taxes which are otherwise payable. The amount of such reduction for 1975 was $142,000 and is reflected as an extraordinary item of earnings. The reduction arising from the application of the remaining amounts of excess depreciation of $181,000 will be reflected in future years' earnings as realized.

(h) Earnings Per Share

Earnings per share amounts have been calculated on the basis of the weighted average of shares outstanding during each fiscal year. Common shares issuable upon the exercise of options have been excluded from the earnings per share computation as their inclusion would not be materially dilutive.

(i) Other

All research and development costs, including costs of developing new products, changing existing products and pre-introduction costs are expensed as incurred. Advertising and promotional expenses are charged to income as incurred.

2. LONG-TERM DEBT

The long-term debt is represented by an unsecured bank loan of U.S. $770,000 of which U.S. $390,000 is payable on November 10, 1976, with the balance of U.S. $380,000 payable on November 10, 1977, bearing interest payable monthly at ½ of 1% above the New York prime rate.

3. SHARE CAPITAL

Changes during the year in issued and fully paid common shares without par value were as follows:

	No. of Shares	$
Balance — October 30, 1974	4,237,498	4,701,070
Issue of shares for cash pursuant to options held by certain executive officers and key employees of the Corporation or its subsidiaries	2,420	12,100
Balance — October 29, 1975	4,239,918	4,713,170

Certain executive officers and key employees of the Corporation or its subsidiaries hold options exercisable at various dates on or before December 10, 1984 to purchase 80,910 common shares at prices ranging from $5.00 to $8.50 per share.

4. EXECUTIVE REMUNERATION

The aggregate remuneration to the directors and senior officers, as defined by The Business Corporations Act (Ontario), amounted to $579,651 (1974 — $425,742).

Operating in over 60 Countries

Offices

CANADA (Head Office):
1590 O'Connor Drive,
Toronto, Ontario M4B 2V4

UNITED STATES:
2201 Main Street,
Evanston, Illinois 60204

SOUTH AMERICA:
Avenida Almirante Barroso 91,
Rio de Janeiro, Brazil.

IRELAND:
Unit 70A
Dublin Industrial Estate,
Moyle Road,
Finglas Road,
Dublin 11, Ireland.

Subsidiary Companies

Crush Beverages Limited
Crush International (Overseas) Limited
Crush International Inc.
Crush Industria De Concentrados Ltda.
Crush International (USA) Inc.
Inter-American Orange-Crush Company
International Beverage Services Inc.
Orange Crush Products Company, Limited
Pure Spring (Canada) Limited
Charles Wilson Limited

Holding Companies

Beverages International Inc.
Crush International (U.K.) Limited
The Hires Company
Orange Crush Company

Concentrate and Processing Plants

Canada: Toronto, Ontario
Ottawa, Ontario;
Montreal, Quebec.

United States: Evanston, Illinois;
Trenton, New Jersey.

South America: Rio de Janeiro, Brazil;
Montevideo, Uruguay.

Ireland: Dublin

Products

Orange CRUSH
Lime CRUSH
Grape CRUSH
Grapefruit CRUSH
Cream Soda CRUSH
Strawberry CRUSH
HIRES Root Beer
SUN-DROP
KIK Cola
DENIS
GURD'S Dry Ginger Ale
AMERICA DRY Ginger Ale
VÉE DE VÉE
OLD COLONY Beverages
AMERICA DRY Canned Beverages
CRUSH Canned Beverages
HIRES Canned Beverages
CRUSH Fountain Syrups
HIRES Fountain Syrups
PURE SPRING Dry Ginger Ale
PURE SPRING Flavours and Mixers
GINI Bitter Lemon
UPTOWN
HONEE-ORANGE
HONEE-GOLD Orange
BRIO CHINOTTO
INDIA EXPRESS Tonic Water
WILSON'S Ginger Ale and Flavours
WILSON Charlie's
SUSSEX Ginger Ale and Flavours

Bankers	Canadian Imperial Bank of Commerce, Toronto, Ontario
	Toronto-Dominion Bank, Toronto, Ontario
	American National Bank and Trust Company, Chicago, Illinois
	Madison Bank and Trust Company, Chicago, Illinois
	First National City Bank, New York, N.Y.
Legal Counsel	Fraser & Beatty, Toronto, Ontario
	Kirkland & Ellis, Chicago, Illinois
	Baker & McKenzie, Chicago, Illinois
Shareholders' Auditors	Coopers & Lybrand, Toronto and Chicago
Transfer Agents	Crown Trust Company, Montreal, Toronto, Winnipeg, Calgary and Vancouver
	Canada Permanent Trust Co., St. John, N.B.
Stock Listings	Toronto, Montreal and Vancouver Stock Exchanges
Address all Communications to:	The Secretary, Crush International Limited, 1590 O'Connor Drive, Toronto, Ontario M4B 2V4


KIK
Gurds
INDIA EXPRESS
Wilsons
Pure Spring
GINI
SUSSEX
Crush
Hires
Wilson's
GINI
ORANGE
Crush
ORANGE
Crush
Crush
Hires


Hires
ROOT BEER
*MARQUE DÉPOSÉE
*TM REG'D

Crush International Limited

Forty-Eight St. Clair Avenue, West
Toronto Seven, Ontario

OFFICE OF THE
CHAIRMAN OF THE BOARD

Camord

June 11, 1975

CRUSH INTERNATIONAL LIMITED
PRESS RELEASE

Consolidated report of operations (unaudited) for the six months ended April 30, 1975, are shown below in comparison with results for the previous year.

Earnings maintained the growth shown in the first quarter, with net earnings per share reflecting an increase of 4% over the same period a year ago.

	SIX MONTHS ENDED	
	April 30, 1975	May 1, 1974
	(in thousands of dollars)	
Gross Operating Revenue	$ 24,700	$ 22,251
Net Earnings Before Income Taxes	$ 1,579	$ 1,521
Provision for Income Taxes	693	671
Net Earnings from Operations for the six months	$ 886	$ 850
Earnings per Common Share	20.9¢	20.1¢
Shares Outstanding	4,237,498	4,237,498
Depreciation	$ 359,000	$ 321,000

The results for the first half year are encouraging in the face of lower unit sales in the industry throughout Canada and the United States. Unit sales in both countries have been affected by inflationary costs, depressed economic conditions and an unusually cold and wet spring.

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Despite this, we have improved our position in the United States, even though unit sales are running slightly behind last year.

Unit sales in Canada are also showing the same decrease as the United States but sales revenue has increased due to higher selling prices.

Unit sales in International markets have shown steady growth, with the exception of one or two areas where heavy inventory buying last year has reduced purchases. This year our shipments are showing good improvement. It is encouraging to note that despite inflation and problem conditions in many of the countries where we do business, our share of market is growing, and our case sales are increasing.

The directors approved an increase in the quarterly dividend from 8¢ to 9¢ per share payable July 15, 1975, to shareholders of record June 30, 1975.

While it is too early to foretell the effect of higher prices and the economic recession on our peak selling season, we are encouraged that the first six months have turned out so well.

FOR THE BOARD OF DIRECTORS

J.M. THOMPSON
Chairman

L. Collins
President